

**Producer Advisory Council  
Meeting Minutes**

**May 16, 2012  
12:00-1:30pm  
Division of Insurance  
1560 Broadway, Suite 850  
Denver, CO 80202  
Conference Room 850-B**

**Council Members:**

Colorado Group Insurance Association  
Colorado State Association of Health Underwriters  
Financial Planning Association of Colorado  
Land Title Association of Colorado  
Long Term Care Forum of Colorado  
National Association of Insurance & Financial Advisors  
Professional Independent Insurance Agents  
Rocky Mountain Insurance Information Association  
Society of Financial Service Professionals  
Industry  
Industry  
Industry

**Individual Contact:**

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Dorothy Marshall  
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Aaron Eisenach, Tammey Sullivan  
Hartman Axley, Coleen Love  
Gary Frisch  
Carole Walker  
Janet Van Dorn  
Steve Caldara  
Doris Stipech  
Roy Webb

**Division of Insurance:**

Commissioner Riesberg, Paula Sisneros, Marianne Goodland, Caryn Berumen

**Administrative Matters**

- Approval of Minutes: The April 18, 2012 meeting minutes were approved.

**Commissioner's Update**

- Commissioner Riesberg provided a brief legislative update:
  - Legislative Session ended May 9, 2012
  - Special Session – Only bills on Governor's call heard. The Special Session is over. Seven (7) bills were on Governor's call.
- Multi-State Agreement with Prudential Life
- Multi-State Agreement with MetLife
- Exchange for Health Insurance
  - Essential Health Benefits – HHS requires 10 steps in order to be a benchmark plan.
  - Exchange board created four advisory committees. Each committee has 23 members. Committees are to take information back to the exchange board.
  - Board meets every other Monday.
  - NAIC – SERFF and Sircon will be used.
- Bulletin B-4.41 Prescreening Questionnaire – Dorothy Marshall said that the new bulletin Tom Abel has drafted is very clear. The pre-app within Regulation 4-2-36 if all answers are "no" (before 12:09)...don't bother with the Pre-app go directly to the application. Pre-Application is not optional. Does the bulletin contradict the regulation
- Regulation 4-4-4 – Long-Term Care Partnership Program – On May 1, 2012 the Division held a rulemaking hearing where proposed changes to regulation 4-4-4 were made public. The Division received several comments after the hearing which requested that the Division consider allowing policies to be backdated to 2006 or to 2008. In Colorado the Partnership Act was passed in 2008. The effective date of regulation 4-4-4 will be July 1, 2012. The Commissioner and Paula Sisneros advised that the Division cannot legislate or regulate retroactively. Non-partnership policies that renew or are reissued can be converted to a partnership policy. A brief discussion was held regarding John Hancock. The Commissioner stated that carriers can choose to endorse policies retroactively however, the Division cannot force carriers to endorse retroactively. It is at the carriers' discretion to add an endorsement to make a policy a partnership. The endorsement will be on a go forward basis from the renewal. If a carrier chooses to endorse a policy as a partnership policy, at renewal - going forward, what is the earliest original effective date?

## **Wildfire Season Education**

- Articles for the Regulator due to Marianne Goodland by May 25, 2012.
- Wildfire Preparedness and Prevention Campaign – A partnership was created between RMIIA, Channel 4, DOI, and Dept. of Emergency Management and others. This partnership discusses insurance concerns after a wildfire and works to inform consumers of resources to assist them in taking an inventory of their home before they need to file a claim. “Are you wildfire ready?” Campaign kicks-off on May 20, 2012 during “60 Minutes” (Channel 4) and ends June 17, 2012.

## **NAIC Website Tour**

Paula Sisneros demonstrated the NAIC website to the Council.

- Store - Can purchase minutes from meeting or can download electronic versions of meeting minutes.
- Meetings and Events tab – Shows different conference calls and committees
- Committees and Activities tab – Discussed the many committees and working groups. All conference calls are public.
- Education in Training
- NAIC holds 3 National Meetings where committee meetings are held as well as E-reg.

## **Legislation / Communications**

- SB-38, Protect Consumers Residential Roofing Work – Waiting Governor’s signature
- HB-1071, Portable electronics licensing – Signed, effective January 1, 2013
- HB-1215, Dodd Frank - signed
- HB-1266, Sunset Continue Bail Bond Agent Regulation – changes licensing requirements for bail bondsmen. Effective July 1, 2012
- HB-1289. Auto Protest – Signed, effective Aug, 8, 2012

## **Rulemaking Hearings**

- June 1, 2012:
  - 3-1-2 Statutory Deposits Quarterly Reports on Market Value
  - 4-2-10 Reporting Requirements for Multiple Employer Welfare Arrangements (MEWAS)
  - 4-7-2 Concerning the Laws Regulating health Maintenance Organization Benefit Contracts and Services In Colorado
  - 5-1-9 Regulation to Require Reporting of Financial and Statistical Data by Property and Casualty Insurance Companies
  - 5-1-15 Notification to Additional Insureds Whose Interests are Affected by a Claim Under a General Liability Policy
  - 5-2-15 Concerning Consumer Protection for Vehicle Valuation and Rental Reimbursement
  - 3-2-6 Securities Deposited with the Commissioner
- The Commissioner adopted all rules heard on May 1, 2012.

## **General**

- Operating Principles
  - ❖ Paragraph 6 modified - added “or additional” organization can appoint to the council.
  - ❖ Paragraph 1 modified – added “up to three”: “two” stricken.
  - ❖ Paragraph 5 modified – changed election month from November to January.
  - ❖ Paragraph 7 changes okay.
  - ❖ Motion made to approve changes; second; changes to the operating principles accepted.
- Membership – Ken Valdez will be removed from Council.
- Paula will send e-mail to search for industry individuals.
- December meeting will be held December 13, 2012 in Conference Room B.

- Hart Axley discussed suitability and prudent investments in life Insurance issues. Stems from court case in California.

### **Action Items**

- Agenda Items for May:
  - Legislative wrap-up – Jo Donlin
  - Summary of Benefits – Dayle Axman
  - Wildfire PSA's – Carole Walker
- Next meeting June 20, 2012